

MEMORANDUM

TO : State Tax Commission  
FROM : Edward A. Doran  
SUBJECT: Reduction in Tax  
PATRICIAN PAPER CO., INC.

OFFICE: Corporation Tax Bureau

DATE : July 24, 1972

Forms CT-122 attached to the subject corporation's franchise tax report for the calendar year 1968 shows a reduction in tax of \$45,374.00. \$11,550.00 of this reduction is due to allowing the corporation a business allocation. The balance of the reduction in tax is due to carrybacks of net operating losses for the calendar years 1970 and 1971. The approval of the State Tax Commission is required.

On its original report the corporation allocated its entire net income at 100 per cent to New York. The corporation as a regular course of business, stores merchandise at public warehouses located outside New York State until shipped to customers. Such warehouses constitute regular places of business, entitling the corporation to allocate its entire net income within and without New York State.

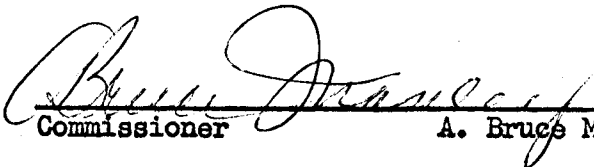
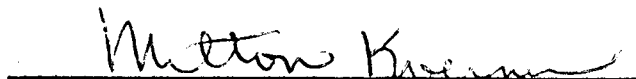
An amended report claiming the business allocation was timely filed resulting in the reduction in tax which is proper.

I recommend your approval.



Edward A. Doran

Approved:

  
Commissioner A. Bruce Manley  
Commissioner Milton Koerner